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HUMAN RESOURCES FOR SMART CUSTOMS DEVELOPMENT IN VIETNAM

SUMMARY OF THE DOCTORAL THESIS

MAJOR: POLITICAL ECONOMY

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INTRODUCTION

1. The necessity of the thesis

According to the National Digital Transformation Program by 2025, with orientations towards 2030 approved in Decision No. 749-QD-TTg dated June 3, 2020 and the Domestic Trade Development Strategy by 2030, with orientations towards 2045 approved in Decision No. 1163/QD-TTg dated July 13, 2021 of the Prime Minister; Vietnam Customs has been highly focusing on mobilising all resources as well as closely keeping up with the current international economic integration and the fourth industrial revolution. Vietnam Customs has been stricly maintaining a great political determination in order to become one of the leading sectors in Vietnam in terms of reforming administrative procedures, implementing science and technology, innovating management methods and developing capable human resources (HR) to adapt with new working environment. Therefore, this helps to promote trade exchanges; ensure security and national economic interests.

There are several researches have shown that in the context of smart economic development; building high-quality HR who are capable of mastering science and technology as well as operating smart management systems - is a task that a lot of countries and organizations consider to build a sustainable development strategy. In terms of academic theory, researches related to Smart Customs and HR for Smart Customs have basically clarified the contents and importance of human resource management (HRM) activities according to the requirements of scientific and technological development. However, there are still some scientific gaps that need to be clarified such as: factors for building a specialized HRM model for Smart Customs development in Vietnam; limitations, requirements and solutions to improve HR for Smart Customs development in Vietnam. In addition, in practice, in the process of developing Smart Customs, the Customs sector faces several challenges and difficulties in HRM field such as: (1) maintaining the implementation of streamlining the payroll by 10% as required by the Party and the Government; (2) the legal corridor and HRM methods lack of the application of international experiences, recommendations and modern digital management models; (3) customs officers' productivity and the knowledge level of IT, foreign languages and soft skills are still limited compared to the requirements of developing Smart Customs; (4) the imbalance of genders and age groups, especially at the management levels.

According to the theoretical researches and current practices, developing high-quality HR with outstanding working capacity in a digital transformation environment along with a modern and intelligent HRM system is one of the most urgent tasks which Vietnam Customs has to carry out to reform and

modernize the sector and enhance the competitiveness of the national economy. Based on the aboved reasons, the Phd candidate has chosen the topic: ***"Human resources for Smart Customs Development in Vietnam"*** for their doctoral thesis in Political Economy.

2. Research purpose and research tasks

2.1. Research purpose

The thesis is researched to assess the situation of Customs HR in the period of 2019 – 2024 and to propose solutions to build up HR for Smart Customs development in Vietnam by 2030, with orientations towards 2045.

2.2. Research tasks

To address the research purposes, the thesis defines the following tasks:

Firstly, reviewing several domestic and international academic researches which related to the thesis topic. On that basis, systematize and clarify theoretical issues to present an analytical framework on HR for Smart Customs development (concepts, roles, requirements, influencing factors…).

Secondly, analysing and evaluating the current status of Vietnam Customs HR quality and HRM efficiency in the period of 2019 – 2023; clarify the achievements, limitations and their causes.

Thirdly, propose orientations and solutions to enhance the HR quality for Smart Customs development in Vietnam by 2030, with orientations towards 2045.

3. Subjects and research scope of the thesis

3.1. The research subjects

The research object of the theisis is the Customs HR as the main forces for Smart Customs development in Vietnam.

3.2. The research scope

- The research content: The thesis focuses on researching HR in general and HR in the Customs sector on the basis of combining criteria between high-quality HR and digital HR in order to analyse their relationship, responsiveness and impacts on Vietnam Customs' digital transformation and management reform towards a smart, modern management model. In addition, the concept of Customs HR within the research scope of the thesis refers to all individuals at both management level and non-management level who perform Customs duties in accordance with the provisions of laws and regulations – collectively known as *"customs officers"*. Primary data were collected by the thesis author through online questionnaires distrubuted to two groups: (1) customs officers and (2) enterprises participating in import – export activities. Secondary data were exploited and collected from domestic and international reports and documents related to Customs in general and Vietnam Customs in particular.

- The research space: The thesis focuses on analyzing the current state of HR and other issues related to HR development and management for Smart Customs across the Customs sector in Vietnam.

- *The research time:* All secondary data on the current state of Vietnam Customs HR were collected throughout the period of 2019 – 2023 and the primary data were conducted during November – December, 2024. The orientations and solutions are proposed by 2030, with a vision to 2045.

4. Theoretical basis and research methods

4.1. Theoretical basis

The thesis is conducted based on the theoretical basis of Marxism – Leninism, Ho Chi Minh Thought, the Party and State's orientations and policies towards HR and Smart Customs in order to analyse and evaluate the current state as well as to propose orientations and solutions to HR for Smart Customs development in Vietnam. Furthermore, the thesis is also rely on the interdisciplinary approach of HR economics, institutional economics as well as the theoretical perspectives of various domestic and international authors, researchers, scientists, politicians on the topic to carry out the research tasks.

4.2. The research methods

The thesis adopts the main research method of Political Economy is scientific abstraction; qualitative research; quantitative research along with some other methods, namely: analysis, synthesis, comparison; information collection and process; generalize; modelization, diagramming.

5. New scientific contributions of the thesis

Firstly, the thesis systemizes a number of theoretical and practical issues about HR and HR in the Customs sector to clarify and develop a concept of HR for Smart Customs development.

Secondly, on the basis of collected data, the thesis analyses the current state of HR in the Customs sector in accordance to the standards of HR for Smart Customs development, the growth of national economy and the changes of international modern trend.

Thirdly, the thesis clarifies several limitations of Vietnam Customs' HRM which are: 1) The working capacity of Customs officers has not fully met the requirements of digital transformation towards Smart Customs (the majority of Customs officers only have basic knowledge of IT and foreign languages…); 2) The use of capacity assessment results on HRM activities is limited; lack of implementations of IT, high technologies, digital management tools and modern HRM methods on Customs HRM development; 3) Customs officers' capacity to perform public duties and level of discipline compliance have not completely met the expectations of the business community.

Fourthly, the thesis clarifies the causes of the above limitations: 1) Recruitment of high-quality HR and job placements according to the task requirements still face a lot of challenges; 2) The quality and quantity of Customs officers specialised for information techonology and HRM do not fully meet the orientation of Smart Customs; 3) Lack of researches and

implementations of modern HRM methods based on international experiences and recommendations; 4) The training scheme lacks of activities which are specially designed for HR in the context of Smart Customs development.

Fifthly, the thesis proposes several solutions and orientations in order to enhance the efficiency of digital, high-quality HR formation for Smart Customs development in Vietnam by 2030, with a vision to 2045: 1) Strengthening the legal framework of HR for Smart Customs development; 2) Reforming the organizational structure; ensuring reasonable quantity and balanced structure of Customs officers for Smart Customs development; 3) Reinforcing the innovation and modernization activities to improve the HR quality in response to the national requirements and the international common standards towards digital transformation and Smart Customs.

6. Theoretical and practical significance of the thesis
6.1. Theoretical significance
The thesis could be used as a reference for undergraduate and postgraduate educational institutions; policy-makers and researchers interested in the topic of Customs HR, HR for Smart Customs development and high-quality HR for public sector's smart management model development

6.2. Practical significance
The research results of the thesis are expected to contribute an academic and scientific basis for Vietnam Customs to plan strategies and policies towards HR for Smart Customs development in accordance with the common standard of Customs authorities around the world. Therefrom, this will contribute to promote Vietnam's economic development and international integration.

7. Structure of the thesis
Besides the introduction, conclusion, list of references, diagrams, tables and appendices; the thesis consists of 4 chapters and 11 sections.

Chapter 1
OVERVIEW OF RESEARCH WORKS HAS BEEN PUBLISHED RELATED TO THE THESIS TOPIC

1.1. RESEARCH WORKS RELATED TO THE THESIS TOPIC
1.1.1. Group of research works on HR in general
1.1.1.1. Research works on HR formation function
Colley L., K. (2011), *Applying labour process conceptsto public sector executive reforms: Peeling and segmenting the mandarins?;* Price, A. (2007), *Human Resource Management in a Business Context;* Pham Thanh Nghi and Vu Hoang Ngan (2004), *Human resources in the public sector*; Siami-Namini, S. (2018), *Knowledge Management Challenges in public sector*; Christian Batal (2002), *Human resource management in the public sector*; Nan, L. (2021), *Exploring human resource management approaches to improve performance in*

the new customs agency in China from a human resources business partner perspective; El-Khoury, D. (2017), *Digital transformation and the world class HR difference"*; Aiman-Smith, L. and collegueas (2001), *Are you attracted? Do you intend to pursue? A recruiting policy-capturing study.*

1.1.1.2. Research works on HR retention function

Savaneviciene, A. and Stankeviciute, Z. (2013), *Relabeling or New Approach: Theoretical Insights of Regarding Personnel Management and Human Resource Management*; Mitrofanova, K. (2018), *Opportunities, problems and limitations of digital transformation of HR management*; Azmi, I. A. G. (2010), *Competency-based human resoucce practices in Malaysian public sector organizations*; Bohlander, G. and Snell, S. (2001), *Managing Human Resources.*

1.1.1.3. Research works on HR development function

Organization for Economic Cooperation and Development. (2001), *Knowledge management: Learning-by-Comparing Experiences from Private Firms and Public Organizations*; Pham Tat Dong (2001), *The orientation for the development of Vietnam's intellectuals in the context of industrialization and modernization in Vietnam.*

1.1.2. Group of research works on HR for Smart Customs development

1.1.2.1. Research works on Smart Customs

Metelenko, N. and collegueas (2024), *Development of the smart economy as the main source of competitiveness and sustainable development*; Giordani, A. (2018), *Artificial Intelligence in Customs Risk Management for e-Commerce"*; Matsudaira, T. and Koh, J. (2022), *Customs Administration and Digitalization*; Suryanto, S. and collegueas (2021), *The Future of Human Resources and Digital Trend Phenomenon in Indonesian Business Practices: Review Literature*; Nguyen Cong Binh (2008), *The study of implementation of modern Customs approaches to facilitate Vietnam's international trade.*

1.1.2.2. Research works on HR for Smart Customs development

Nguyen Viet Hong (2007), *Improving the effectiveness of training activities for Customs officers to respond with the modernization requirements;* Huynh Thanh Binh (2016), *Improving the quality of Customs officers at management level of Provincial/ City Customs Departments in the context of Vietnam Customs' modernization;* Tran Van Trang (2017), *Human resources for modernizing Vietnam Customs in the context of international integration;* World Customs Organization (WCO) (2022), *Guide to Managing Customs' Human Capital through Crises and Beyond*; Nguyen Ngoc Tuc (2007), *Innovating and modernizing Vietnam Customs in response to the requirements of international economic integration;* Nguyen Tien Loc (2011), *The research and quantitative method on surveying and evaluating the qualification of*

Vietnam Customs officers; Azcarraga, A.A.P. and collegueas (2022), *Customs matters: Strengthening Customs Administration in a Changing World*; Vu Hong Loan (2010), *Some solutions to improve Customs integrity in Vietnam;* Nguyen Thanh Binh (2022), *Research on developing human resources for Smart Customs of Customs Departments in the Southeast region;* Nguyen Manh Cuong (2023), *Human resources management for Vietnam Customs in the context of international integration*; Marwan, M.A. and Saeed, H.A. (2020), *Trends and Opportunities of Artifical Intelligence in Human Resource Maangement: Aspirations For Public Sector in Bahrain*; WCO (2015), *WCO framework of principles and practices on Customs professionalism.*

1.2. OVERVIEW OF THE RESULTS OF RESEARCH PROJECTS RELATED TO THE THESIS AND FOCUSED ISSUES OF THE THESIS

1.2.1. Overview of the results of research projects related to the thesis

Firstly, the researches have basically clarified the theoretical basis related to HR and HR in the Customs sector as well as the content of HRM activities.

Secondly, researchers, managers and policy-makers have affirmed the importance of HRM and HR development (HRD) in general and in the Customs sector in particular. There are several researches have showed the perspectives and international practical experiences on Customs HR in the current context.

Thirdly, the researches have initially approached and analysed the nature and tendency of HRD in response to digital transformation of the economy and the Customs management activities. Besides, these research projects have described the relationship between HRD and the digital transformation process, the implementation of science and technology. At the same time, they have partly clarified the requirements on HR for Smart Customs development.

However, within the framework of this thesis, there has not been any study which has conducted an in-depth research on the concept, characteristics and requirements as well as has criticized comprehensively on the current state of HR for Smart Customs development in Vietnam. Accordingly, there are various issues have not been studied which is recognized as a gap that the Phd candidate have to investigate.

1.2.2. Focused issues of the thesis

Although, the high-quality HR development activity in response to the global digital transformation have been paid attention to in both national and global strategies as well as in the Customs sector in Vietnam, there are still some scientific gaps that need to be clarified. In order to overcome these gaps, the thesis aims to resolve the theoretical and practical problems from the perspective of Political Economy:

Firstly, the thesis focuses on the main research subject which is HR for Smart Customs in Vietnam.

Secondly, the thesis focuses on analyzing the current state of Vietnam Customs HR in the period of 2019 – 2024 to assess its respondent level to the

requirements of Smart Customs development in Vietnam through several research methods, including: information collection and process, statistics, description, modelization, diagramming.

Thirdly, the thesis clarifies the requirements and factors which affect on HR for Smart Customs development in Vietnam. In addition, it also considers the relationship, influences and importance of HRD to the digital transformation towards Smart Customs through the research methods, including: synthesis, comparison and forecasting.

Chapter 2
THEORETICAL BASIS AND INTERNATIONAL PRACTICAL EXPERIENCES ABOUT HUMAN RESOURCES FOR SMART CUSTOMS DEVELOPMENT

2.1. THEORETICAL BASIS ABOUT SMART CUSTOMS DEVELOPMENT
2.1.1. The concept of Smart Customs

Approaching from the perspective of Political Economy and the inherition of previous researches related to the thesis topic, the PhD candidate proposes: *Smart Customs is a modern state management model in the Customs sector. This model specially concentrates on the implementation of advanced scientific and technological achievements, high automated digital and paperless platform. Smart Customs is a superior and comprehensive development of Customs management system through the implementation of information technology (IT) and digital transformation.*

2.1.2. The characteristics of Smart Customs

Characteristics of Smart Customs: (1) High level of automation; (2) Optimizing the ability to provide safe and transparent digital Customs services; (3) Comprehensive digital transformation; (4) An extensive connection of all Customs services on a digital, paperless platform; (5) Ensuring national interests and economic security through digital services; (6) Operated by a team of smart HR on the basis of a streamlined, centralized organization; (7) Deployed on a unified platform of 5 smart pillars: smart economy, smart government, smart operations, smart environment and smart people.

2.1.3. The concept and content of Smart Customs development
2.1.3.1. The concept of Smart Customs development

Smart Customs includes the entire process of exploiting scientific advances in order to build a highly connected, transparent and modern digital management system for the Customs sector. Smart Customs includes six main stages: (1) Launching digital transformation in the Customs authority; (2) building a basic electronic Customs system; (3) in-depth digital transformation for all Customs procedures; (4) Integrated digital Customs; (5) Advanced digital Customs; (6) Smart Customs.

2.1.3.2.The content of Smart Customs development

Smart Customs development means creating a smart management platform based on integrating features of (1) collecting, analyzing, and processing data; (2) building an information system and (3) enhancing centralized monitoring and management capabilities through high technologies such as Artificial Intelligence; Big Data; Cloud Computing…

2.1.4. Requirements for developing Smart Customs

Some major requirements for developing Smart Customs: (1) transparent orientations and strategies as well as favourable legal corridor; (2) stable financial resources; (3) centralised organizational structure; (4) high-quality HR for developing and operating Smart Customs.

2.2. THEORETICAL BASIS OF HUMAN RESOURCES FOR SMART CUSTOMS DEVELOPMENT

2.2.1. The concept of HR and HR in the Customs sector

2.2.1.1. The concept of HR in general

According to several research projects and perspectives of Political Economy: HR is referred to *"human power"*, labour power and the total resources owned by an individual which is a particularly important component to form productive forces as well as to promote the labour process, and is the decisive factor in production results.

2.2.1.2. The concept of HR in the Customs sector

Within the scope of this thesis, the concept of *"HR in the Customs sector"* is understood as the specialised force - those who have expertise in advising and implementing state management activities on Customs with structure, functions and responsibilities prescribed by laws in accordance to the national as well as the global development requirements.

2.2.2. The concept, characteristics and role of HR for Smart Customs development

2.2.2.1. The concept of HR for Smart Customs development

Based on the inheritance of previous researches on Smart Customs, HR and HR in the Customs sector as well as the assessment of HRD trends and Customs procedures requirements; the PhD candidate proposes the following concept: *HR for Smart Customs development is a team of Customs officers who have both correspondent qualifications and professional expertise to satisfy the domestic and international prescribed standards as well as the requirements of digital transformation in general and Smart Customs in particular.*

2.2.2.2. The characteristics of HR for Smart Customs development

According to the perspectives of Political Economy and the context of smart economic development, the PhD proposes the following major characteristics of HR for Smart Customs including: (1) having a comprehensive knowledge bakcground and professional skills in one or several fields related to Customs; (2) having the ability to adapt flexibly to changes in the working

environment and scientific, technological advances; (3) having the capacity to self-train, update knowledge and be creative; (4) having a proactive mindset and a high sense of responsibility; (5) having proficiency of foreign languages and other skills to perform task requirements effectively; (6) having a good physical and mental health; (7) having qualification in IT or other digital sciences (artificial intelligence, data science...); (8) having skills to use IT and master technical equipments according to task requirements and (9) having the ability to research, create, produce, deploy and manage digital products and services.

2.2.2.3. The role of HR for Smart Customs development

- Be the connection between the administrative procedures and the business community in order to promote trade exchanges and maintain national economic security;

- Be the main force to operate, manage and upgrade the Smart Customs system and to ensure the system contributes maximum benefits;

- Be the foundation towards a sustainable development for Smart Customs

2.2.3. The content of HR for Smart Customs development

2.2.3.1. Requirements on HR for Smart Customs development

** Group of requirements on HRM approaches for Smart Customs development*

- Recruitment requirements: ensuring recruitment time, recruitment forms, recruitment standards and conditions are corresponding to each development stage of Smart Customs.

- Training requirements: ensuring training time; training forms; content, duration and forms of testing and evaluation; participants and funding for trainings to meet the requirements of Smart Customs.

- Job position placement and management requirements: ensuring the timeliness, accuracy and transparency of performance appraisal, performance management, job rotation, promotion, re-promotion, rewards and discipline.

- Requirements for innovation and talent management policies and employee benefits regime.

- Requirements for timeliness and effectiveness in implementing digital tools and software to manage Smart HR.

** Group of requirements on the organisational structure and HR structure for Smart Customs development*

- Requirements on the organisational structure: centralized, streamlined, minimizing intermediate management levels.

- Requirements on the quantity and structure of HR: ensuring reasonable number of officers, ages structure, and genders structure to meet the requirements of Smart Customs development.

* Group of requirements on the quality of HR for Smart Customs development

Requirements on physical health; educational qualification; soft skills; political perspectives and professional ethics; performance quality.

2.2.3.2. HR assessment criteria for Smart Customs development

2.2.3.3. Factors affecting on HR for Smart Customs development

* Internal factors of the Customs sector: organisational management model; recuitment system; job placement; training and development strategies; employee benefits regime.

* External factors of the Customs sector: economic and social development; institutions, policies; scientific and technological achievements.

2.3. INTERNATIONAL PRACTICAL EXPERIENCES ABOUT HUMAN RESOURCES FOR SMART CUSTOMS DEVELOPMENT AND LESSONS LEARNED FOR VIETNAM

2.3.1. International practical experiences about HR for Smart Customs development

2.3.1.1. Experience of China

- Major orientations of the Talent Management Strategy: (1) considering talents as the main pillar of national revival; (2) simultaneously developing the quality and quantity of high-quality HR; (3) promoting the spirit of respecting intellectuals, dedication and creativity; (4) proactively discovering and nurturing talents; (5) developing a transparent and scientific system for managing talents.

- In order to implement the above Strategy, the Government of China focuses on building appropriate training and development programs in response to job position requirements; improving the quality of trainers and promoting fair competition, transparency and strict regulations compliance while still ensuring flexibility in updating knowledge and teaching methods.

2.3.1.2. Experience of Singapore

- Singapore has been always promoting the perspective about core values of the public sector in general as well as the Customs sector in particular, including: integrity; services; perfection and implementing scientific achievements as well as digitizing the entire public service system.

- Designing and promulgating unified guidelines on principles, standards, and conditions of trainings and capacity development activities for the public sector as well as the Customs sector.

- Focusing on developing a high-quality training system following the international common standards. Optimizing time and diversifying subjects and training programs specialized in HRM for the Customs sector.

2.3.1.3. Experience of Japan

- Japan Customs develops and implements various forms of trainings which are suitable for each subject and training target, including: mandatory

training programs for newly recruited officers; long-term, specialized training programs; short-term training programs for updated professional knowledge; distance training programs; advanced training programs; Customs specialized training programs.

- In regard to the HR issue in the "Smart Customs Initiative": encouraging Customs officers to propose innovative ideas to modernise Customs procedures through the "3I" principle (Inovation; Inclusive; International).

2.3.1.4. Experience of United Kingdom

- United Kingdom develops a "New Public Management" model, focusing on public service quality; work efficiency and flexibility; openness in attracting and employing talents and developing a team of experienced experts. Digital technologies are widely implemented throughout the recruitment process to increase publicity, transparency and convenience for all stakeholders.

- In regard to the management, use and employee benefits regime of Customs HR: The Customs HRM are all conducted in cyberspace. The Customs officers' capacity assessment is carried out through a multi-dimensional information feedback system which encourages the participations of the entire Customs force, people and business community.

- In regard to the training scheme: encouraging a learning and sharing knowledge culture to promote trainings anywhere, anytime; creating favorable conditions for each individual to self-improve, accumulate, gain experiences and knowledge in the most suitable and convenient form for Customs officers.

- In regard to the application of modern HRM tools and methods in the Customs sector: issuing the management model, namely "Succession Planning" - a document that evaluates and provides comprehensive information of Customs officers' working capacity, including the following contents: professional qualifications; outstanding capacity; limitations that need to be improved; experience; mindset, working attitude and potential career growth.

2.3.2 Lessons learned for Vietnam Customs on HR for Smart Customs development

2.3.2.1. Lesson on building organizational structure

Building a reasonable, streamlined organizational structure that is appropriate to each development stage of Smart Customs. This helps to ensure a sustainable development and effectiveness in carrying out tasks.

2.3.2.2. Lesson on attracting and recruiting HR

Investing in researches and applying an open, highly competitive recruitment process to attract high-quality candidates. In addition, focusing on conveying transparent messages about career development roadmaps as well as other attractive regimes and policies corresponding to each career stage.

2.3.2.3. Lesson on HR training and development

Promoting the learning culture in the organization as well as encouraging

officers' initiative and self-improvement. Developing diverse training courses which are suitable for each group of staff and job position as well as maintaining a team of professional lecturers to ensure the training effectiveness and to strengthen the capacity of Customs officers.

2.3.2.4. Lesson on employee benefits regime

Ensuring employee benefits regime and career development opportunities which are necessary to increase Customs officers' commitment level to the organization. In addition, it is also significant to implement non-financial motivation factors to encourage Customs officers to be proactive, self-aware, and have a sense of responsibility for the organizational common strategies.

2.3.2.5. Lesson on orgnisational reform and implementation of modern HRM tools

Building an effective HRD strategy which is suitable for the current operational context of Vietnam Customs. It is necessary to develop and put into practice the "Succession Planning" model of United Kingdom for Smart Customs development in Vietnam. In particularly, focusing on the importance of encouraging personal advantages and career development aspirations of each Customs officer. Hence, providing comprehensive capacity assessments to clarify the appropriate and necessary professional qualities to catch up with the digital transformation process, towards Smart Customs in short-term, medium-term and long-term orientations.

Chapter 3
THE CURRENT STATUS OF HUMAN RESOURCES FOR SMART CUSTOMS DEVELOPMENT IN VIETNAM

3.1. OVERVIEW OF VIETNAM CUSTOMS

3.1.1. History of formation

Vietnam Customs was established on September 10, 1945. Since then, the Customs sector has continuously innovated, improved and enhanced the legal basis - State management according to the national practical development and economic integration.

3.1.2 Organizational structure

From 1st March, 2025, The organizational structure of Vietnam Customs operates through the centralized unity principle and at 3 levels: (1) Department of Customs; (2) Regional Customs Branch; (3) Border Gate/ Outside Border Gate Customs (before 1st March, 2025, the sector operated under the General Department model). The Customs Department currently has 12 Sub-departments/ Branches specialised for policy consulting and internal management and 20 Regional Customs Branches.

3.1.3. Functions, duties and jurisdiction

Functions, duties and jurisdiction of Vietnam Customs are stipulated in the Customs Law No. 54/2014/QH13.

3.2 THE CURENT STATUS OF SMART CUSTOMS DEVELOPMENT IN VIETNAM

3.2.1 Contents related to Smart Customs development

*3.2.1.1. Vietnam Customs Development Strategy to 2030*

Decision No. 628/QD-TTg dated 20/5/2022 of the Prime Minister on approving the Customs Development Strategy to 2030 has been developed based on the WCO strategy.

3.2.1.2. Smart Customs implementation activities

Completing the system of legal documents in response to the requirements of Smart Customs; streamlining the organizational structure; strengthening the Customs forces in response to the models of Centralized Customs and Regional Customs; promoting international cooperations on exchanging data and information; continuously monitoring the current situation, forecasting future fluctuations and risks to propose appropriate Customs services.

3.2.2 Overview of digital transformation and Smart Customs development in Vietnam

The survey results on Customs officers' assessments towards the level of implementation and effectiveness of technological achievement and digital transformation in the Customs sector:
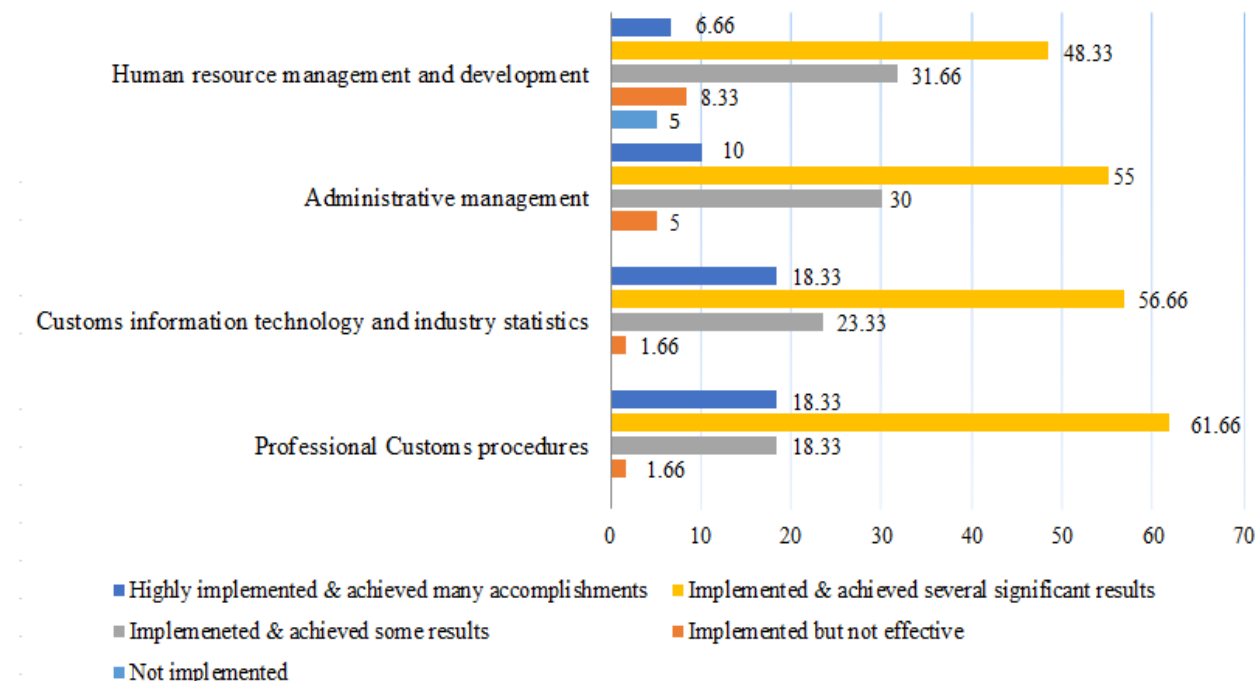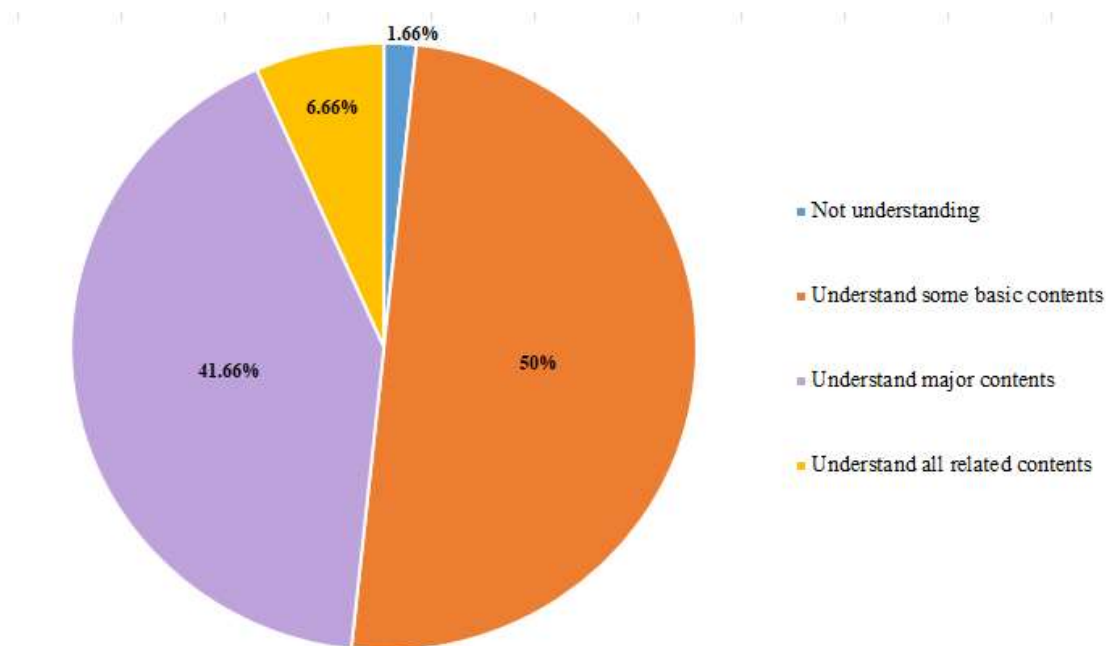

Figure 3.2. Customs officers' assessments towards the level of implementation and effectiveness of technological achievement and digital transformation in the Customs sector
Source: Synthesis of the thesis author from the survey results

The survey results on Customs officers' assessments towards their knowledge of Smart Customs model which the Customs sector is aiming for:

Figure 3.3. Customs officers' assessments towards their knowledge of Smart Customs

Source: Synthesis of the thesis author from the survey results

3.3. THE CURRENT STATUS OF HUMAN RESOURCES FOR SMART CUSTOMS DEVELOPMENT IN VIETNAM

3.3.1. The current structure of HR for Smart Customs development

3.3.1.1. The total staff number of Customs sector in the period of 2019 – 2023

- The total staff number assigned to the Customs sector in the period of 2019 - 2023 only increased by about 0.5% to 1.4% each year; only in 2023, it slightly decreased by 0.1% compared to 2022. Specifically, in 2019: 10,258; in 2020: 10,313; in 2021: 10,462; in 2022: 10,495; in 2023: 10,480.

- Since 2019, the actual number of staff has been always lower than the assigned number of staff and has continuously decreased in the period of 2020 - 2022; then only slightly increased in 2023. Specifically, in 2019: 10,040 officers; in 2020: 9,809 officers; in 2021: 9,631 officers; in 2022: 9,428 officers; in 2023: 9,503 officers.

3.3.1.2 The current staff structure of the Customs sector

As of December 2023, the staff structure, age groups structure and genders structure of Customs officers are specified as follows:

Table 3.1 Staff structure of the Customs sector in 2023

	Assigned staff number		Actual staff number		Age groups			Gender	
	Civil servant	Public employee	Civil servant	Public employee	30 & under	31-50	Above 50	Female	Male
Total *(people)*	10.255	225	9.367	136	473	7.041	1.989	3.302	6.201
Percentage	*On the total number of assigned staff*		*On the total number of actual staff*						
	97,85%	2,15%	98,56%	1,44%	4,97%	74,1%	20,93%	34,75%	65,25%

Source: Synthesis of the thesis author from GDVC's reports

3.3.1.3 The current structure of civil servant ranks and professional titles of public employees in the Customs sector

As of December 2023, the statistics on current structure of civil servant ranks and professional titles of public employees in the Customs sector are specified as follows:

Table 3.2 The structure of civil servant ranks and professional titles of public employees in the Customs sector

Civil servant ranks/ Professional titles of public employees	Civil servant		Public employee	
	Total *(people)*	Ratio on the total number of actual staff	Total *(people)*	Ratio on the total number of actual staff
Customs employee	322	3,38%	0	-
Intermediate Customs inspector & equivalent	590	6,2%	0	-
Customs inspector & equivalent	7.047	74,15%	0	-
Chief Customs inspector & equivalent	1.378	14,5%	0	-
Senior Customs inspector & equivalent	30	0,32%	0	-
Grade IV & equivalent	0	-	4	0,04%
Grade III & equivalent	0	-	93	0,98%
Grade II & equivalent	0	-	26	0,27%
Grade I & equivalent	0	-	13	0,14%

Source: Synthesis of the thesis author from GDVC's reports

3.2.2. The current status of HR quality for Smart Customs development

### 3.2.2.1. Qualifications and skills of Customs officers

As of December 2023, the statistic on qualifications and skills of Customs officers as following:

- *Qualifications:* 481 officers have College degrees or lower (equivalent 5,06%); 5.739 officers have Bachelor degrees (equivalent 60,39%); 3.047 officers have Master degrees (equivalent 32,06%) and 236 officers have PhD degrees (equivalent 2,48%).

- *IT proficiency level and skills of Customs officers:* 8,675 officers have IT certificates from basic to advanced levels; 194 officers have intermediate or college degrees in IT; 634 officers have Bachelor degrees or higher in IT.

- *The proficiency levels of foreign languages and ethnic minority languages of Customs officers:* (1) English: 7,757 Customs officers have certificates (accounting for the highest proportion of 81.62% of the total officers) and 110 Customs officers have university degrees or higher (accounting for 1.15% of the total officers); (2) Other foreign languages (mainly Chinese, French, Russian, Japanese): 951 customs officers have certificates (accounting for 10% of the total officers) and 26 Customs officers have university degrees or higher (accounting for 0.27% of the total officers); (3) Ethnic minority languages: 366 Customs officers have certificates (accounting for 3.85% of the total officers) and 157 Customs officers are able to communicate at basic level (accounting for 1.65% of the total officers).

- *The survey results on assessing Customs officers' responsiveness to the requirements of Smart Customs development in Vietnam:*
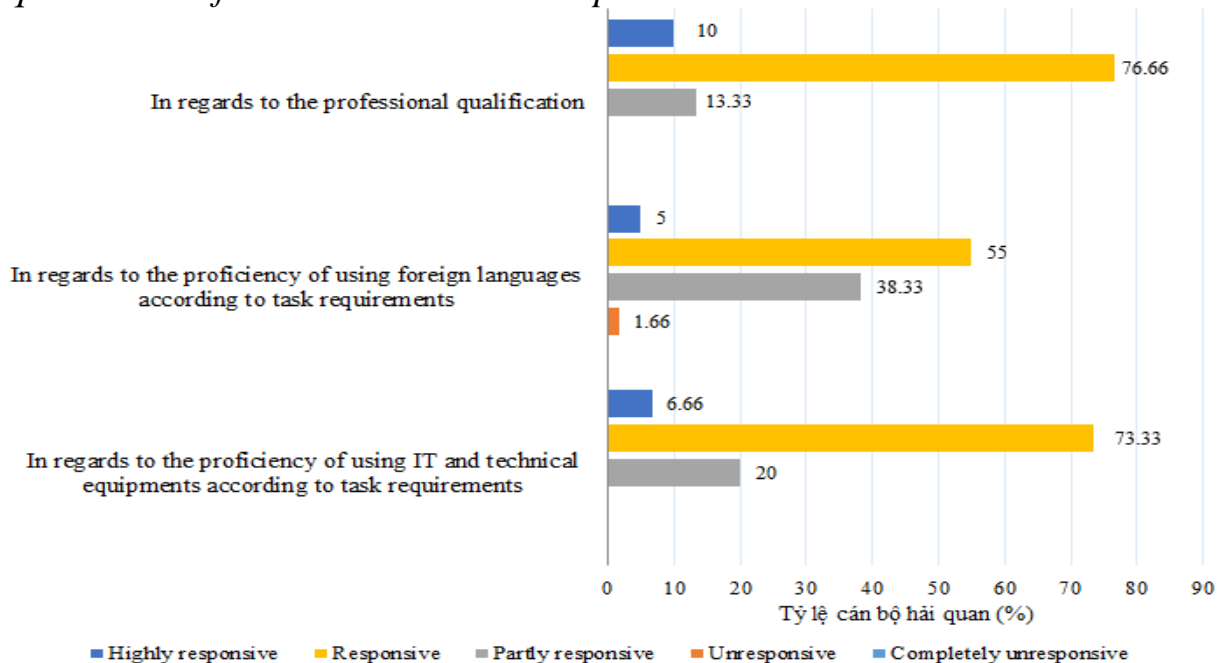
Figure 3.8. Customs officers' self-assessment on personal qualifications; IT and foreign languages in response to the requirements of Smart Customs development in Vietnam

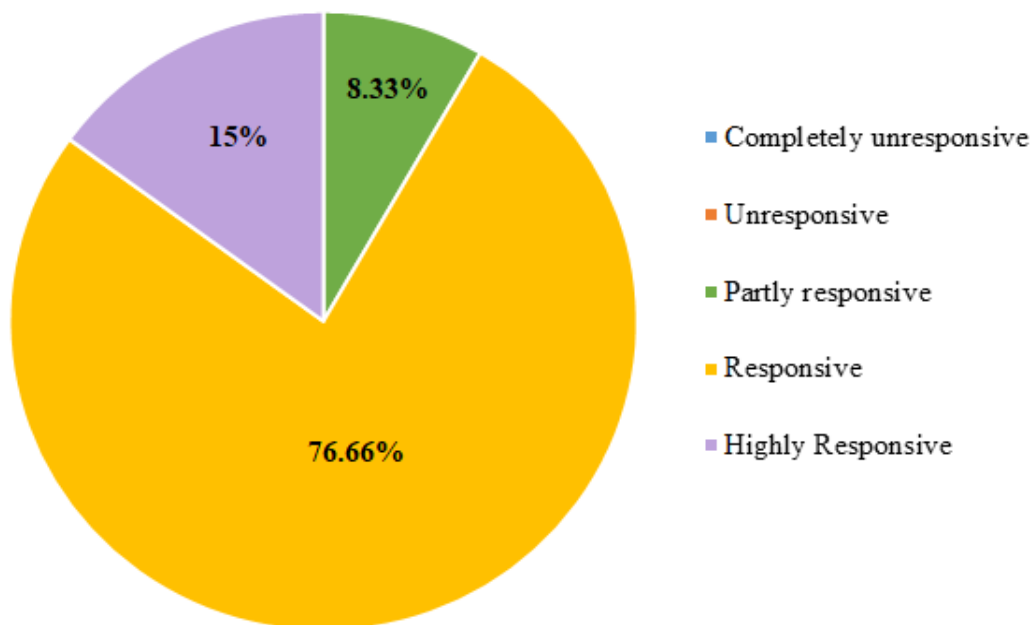*Source: Synthesis of the thesis author from the survey results*

3.3.2.2. The working capacity of Customs officers

According to the survey conducted by the Trade Facilitation Program of the United States Agency for International Development, the practical work handling skills of Customs officers were assessed through 10 main Customs procedures with 05 assessment levels: good, fair, normal, poor, very poor.

The customs clearance document checking skill of Customs officers was rated at *"good"* level by 44.8% of participating businesses - reaching the highest rate among all skills and at the same time being one of the skills have no rating of *"very poor"* level. The remaining skills with no rating of *"very poor"* level include: tax payment management skill; manufacturing facilities inspection skill; sttelement and inventory reports inspection skill. Among the criteria of Customs officers' working capacity assessment, the complaint handling skill was rated at *"poor"* and *"very poor"* by 1.7% of participating businesses. Besides, several other working skills of Customs officers have not yet met the business community's expectations (mainly rated at *"normal"* level) including: administrative violations handling skill; tax refund and non-tax collection management skill; post-clearance inspection skill).

3.3.2.3. Political qualities and professional ethics of Customs officers

The survey results on Customs officers' assessment on their awareness of responsibility and self-discipline:

Figure 3.11. Customs officers' assessment on their awareness of responsibility and self-discipline in response to the requirements of Smart Customs development in Vietnam
Source: Synthesis of the thesis author from the survey results

3.2.2.4. Physical and mental health of Customs officers

3.3.3. The current status of HR development and management activities for Smart Customs development

3.3.3.1. Recruitment

In the period of 2020 - 2023, the Customs sector organized 07 civil servant recruitment schemes with a total of 1,442 positions for 06 civil servant ranks and 01 public employee recruitment scheme with a total of 30 positions for 06 professional titles. Accordingly, there were 1,098 candidates who passed the recruitment assessments (reaching rates from 25% to 91% compared to the plans) and 27 candidates passed the recruitment assessment (reaching a rate of 90% compared to the plan).

3.3.3.2. Training and development

* Information techonology, foreign languages and ethnic minority languages trainings

In the period of 2019 - 2023, the numbers of Customs officers participated in IT training each year are respectively: 412; 733; 46; 145; 195; the numbers of Customs officers participated in foreign languages and ethnic minority languages training each year are respectively: 54; 79; 34; 94; 168.

* State management training of leadership title standards

In the period of 2019 - 2023, the numbers of Customs officers participated in state management training for leadership title standards at Department level and equivalent are respectively: 42, 84, 04, 15, 41; the numbers of Customs officers participated in state management training for leadership title standards at the Unit level and equivalent and lower are respectively: 181, 771, 97, 98,158.

* Political theory training

In the period of 2019 - 2023, the numbers of Customs officers participated in advanced political theory training are respectively: 44, 31, 19, 21 and 65; the numbers of Customs officers participated in intermediate political theory training are respectively: 186, 348, 80, 233 and 318.

* Soft skills training

During the period of 2019 - 2023, due to the impact of the Covid-19 pandemic, in 2021 and 2022, the soft skills trainings were temporarily suspended. In 2019, 2020 and 2023; the numbers of Customs officers participated in soft skills trainings compared to the plan are respectively: 2,397/2,337; 2,621/4,200 and 4,192/5,445.

3.3.3.3. Customs reform and modernization activities

3.3.4 The current status of policy mechanism on HR for Smart Customs development

3.3.5. The survey results on Customs officers' assessment on the effectiveness of HRM activities in response to Smart Customs development in Vietnam

Table 3.5. Customs officers' assessment on the effectiveness of HRM activities in response to Smart Customs development in Vietnam

Evaluation criteria	Assessment level and rates of Customs officers *(unit: %)*				
	Completely ineffective	Ineffective	Normal	Effective	Highly effective
The activity of planning and appointing leaders position at all levels	0	3,33	36,66	58,33	1,66
The activity of training and development	0	3,33	38,33	53,33	5
The activity of performance appraisal	0	3,33	40	53,33	3,33
The activity of building organizational apparatus	0	3,33	40	55	1,66
The activity of managing payrolls	0	3,33	41,66	53,33	1,66
The activity of attracting and recruiting talents	0	8,33	43,33	45	3,33
The activity of managing and placing job positions according to personal working capacity	0	1,66	50	46,66	1,66
The activity of digital transformation; implementing international experience as well as modern HRM/ HRD models and tools	1,66	8,33	45	40	5
The activity of building a team of high-quality HR specialized in Customs' HRM	1,66	5	48,33	41,66	3,33
The activity of building a team of high-quality HR specialized in Customs' IT	1,66	1,66	55	36,66	5
The activity of developing and managing remuneration policies	1,66	5	48,33	40	1,66

Source: Synthesis of the thesis author from the survey results

3.3.6 The survey results on the enterprises' assessment on Customs officers' responsiveness to the requirements of Smart Customs development in Vietnam

3.4. THE GENERNAL ASSESSMENT OF CURRENT HUMAN RESOURCES FOR SMART CUSTOMS DEVELOPMENT IN VIETNAM

3.4.1. Outstanding achievements in developing Customs HR and causes

3.4.1.1 Outstanding achievements in developing Customs HR

Firstly, actively reforming the organization towards a streamlining and concentrated model.

Secondly, the qualifications and skills of Customs officers satisfy the current regulations.

Thirdly, the working capacity of Customs officers have been proven in practice and highly appreciated by the Government and the business community.

Fourthly, the Customs sector is active and proactive in innovating recruitment schemes and building the Customs force according to the development of Smart Customs.

Fifthly, training and development programs are specially designed and organized in response to the actual working context and the requirements of Smart Customs.

Sixthly, usually carrying out researches and implementing various innovative HRM methods in a modern and scientific approach.

Ninthly, actively inspecting and supervising Customs officers on duties.

3.4.1.2 Causes of achievements

Firstly, the positive influences of the domestic and global economic, political and social development.

Secondly, the Government's interest and political will in developing the Customs sector.

Thirdly, the innovative thinking and changes in management styles of the Department of Vietnam Customs' leaders.

Fourthly, the support, assistance and coordination of domestic and international agencies and organizations.

3.4.2. Limitations of HR for Smart Customs development and causes

3.4.2.1 Limitations of HR for Smart Customs development

Firstly, the policy framework for Customs' HRM and HRD still lacks of references from international experiences and recommendations.

Secondly, the diversity and quality of Customs officers has not fully satisfied the actual working context; there is still a significant gap in genders and age groups structure.

Thirdly, the Customs officers' knowledge towards IT, foreign languages and soft skills is still limited compared to the requirements of developing Smart Customs and international standards.

Fourthly, the specialization and labor productivity of Customs officers are not commensurate with the scale of economic development.

Fifthly, the Customs force building activity has not fully focused on attracting and recruiting high-quality candidates, especially individuals whose qualifications specialised on HRM, IT and digital techniques to prepare for the development of Smart Customs.

3.4.2.2. Causes of limitations

Firstly, recruitment in the Customs sector is still limited due to the implementation of general policy on streamlining and reforming the state organizational apparatus; the number of payrolls assigned to the Customs sector has not increased for many consecutive years.

Secondly, the volume and complexity of Customs procedures as well as the requirements for trade facilitation are continuously increasing rapidly.

Thirdly, the quantity and quality of officers who are responsible for HRM and IT activities have not fully met the needs and orientations of Smart Customs development.

Fourthly, lack of researches and implementations of modern HRM approaches based on international experiences and recommendations.

Fifthly, lack of professional training activities specialised for building HR in response to Smart Customs development.

Chapter 4
ORIENTATIONS AND SOLUTIONS FOR HUMAN RESOURCES BUILDING FOR SMART CUSTOMS DEVELOPMENT IN VIETNAM

4.1. CONTEXT, PERSPECTIVES AND ORIENTATIONS FOR HUMAN RESOURCES BUILDING FOR SMART CUSTOMS IN VIETNAM

4.1.1. International context

4.1.2. National context

4.1.3. Perspectives and orientations for HR building for Smart Customs in Vietnam

4.1.3.1. Perspectives

Firstly, following the Party's leadership and orientation, the State's management; the domestic and international regulations system; international commitments to meet the national socio-economic development orientation;

Secondly, providing the most favorable conditions for trade exchanges and economic integrations through improving the effectiveness of state management of Customs as prescribed by law;

Thirdly, comprehensively reforming and modernizing state management of Customs. In which, encouraging the combined strength of the entire political system, the Customs sector's internal strength and the external resources for a rapid and sustainable development.

4.1.3.2. Orientations

Completing and strengthening the organizational structure; promoting intergrity; developing a team of professional Customs officers who have appropriate qualifications, proficient working skills and good attitudes in accordance with the requirements of Smart Customs.

4.2. SOLUTIONS FOR HUMAN RESOURCES BUILDING FOR SMART CUSTOMS DEVELOPMENT IN VIETNAM UNTIL 2030, WIITH ORIENTATIONS TOWARDS TO 2045

4.2.1. Group of solutions on reforming the organizational apparatus, HR structure for Smart Customs development in Vietnam

4.2.1.1. Strengthening the organizational apparatus and completing the Customs sector's functions and tasks

(1) Completing and implementing action plans according to the new organizational model; (2) Preparing multiple plans in regards to the organizational apparatus flexibly in respond to different scenarios of economic, political, and social developments and the digital transformation roadmap of Smart Customs in Vietnam; (3) Continuously reviewing difficulties and problems arising during the period of transferring from the General Department of Customs model to the Department of Customs model in order to promptly report to the Ministry of Finance and other competent authorities for instructions and orientations.

4.2.1.2. Maintaining a reasonable number of officers for Smart Customs development

(1) Assessing the level of digital transformation and application of science and technology in the whole sector throughout the development of

Smart Customs; (2) Developing a recruitment strategy to ensure the number of officers always satisfies task requirements; (3) Referring to WCO recommendations on determining the quantity of Customs officers and arranging job positions.

4.2.1.3 Ensuring HR structure for Smart Customs development

- *Regarding to the professional qualifications structure:* constantly reviewing and updating standards and conditions of Customs officers' qualifications, foreign languages, IT and soft skills to diversify the expertise and knowledge within the Customs sector;

- *Regarding to the age structure:* along with the maintenance of long experienced officers, it is necessary to increase the rejuvenation of Customs HR by innovating talent management policies;

- *Regarding to the structure of officers at management levels:* reviewing and assessing job performances of officers at management levels in the whole sector based on current regulations, Customs development orientation and expectations of the society and the business community.

4.2.2. Group of solutions on improving HR quality for Smart Customs development in Vietnam

4.2.2.1. Improving the professional qualifications and skills of Customs officers according to the capacity requirements of Smart Customs

1) Improving standards of professional qualifications; diversifying training fields and professions as well as requirements for skills and working experiences in recruitment; (2) Constantly equipping Customs officers with modern professional knowledge and public service skills; (3) Developing special regulations to encourage Customs officers commit to self-study in order to satisfy the requirements of practical work.

4.2.2.2. Improving soft skills and digital skills to support professional works

(1) Developing soft skills for Customs officers through in-depth training and development activities which are appropriate to the requirements and nature of each job position and the unit's operating area; (2) Regularly organizing seminars, talks on sharing professional experiences and problem-solving skills among departments within the sector as well as non-Customs agencies; (3) Raising officers' awareness about the importance of digital transformation and Smart Customs; (4) Integrating to assess soft skills and digital skills in competency assessments and performance assessments; (5) Building up an online forum on science and technology related to Customs in order to promote the knowledge sharing culture among Customs officers.

4.2.2.3. Improving political perception, professional ethics and responsibility in performing public duties of Customs officers

(1) Developing standards on Customs integrity and professional ethics based on the WCO's recommendations as well as national and international regulations; (2) Standardizing discipline along with building policy framework to create a favorable working environment for innovation and creativity; encourage Customs officers dare to think, dare to work and dare to make breakthroughs for the

common interests of the sector; (3) Actively propagating documents and regulations of the Party, Government and the sector on public service ethics.

4.2.2.4. Increasing the transparency and fairness of performance assessment and management activities

(1) Implementing new performance appraisal method through interviews to enhance interaction between managers and officers as well as to ensure the transparency and fairness of evaluation results; (2) Applying WCO's recommendations in performance management, including three stages: 1) planning and consenting performance results (between managers and officers), 2) appraising performance according to each stage of practical work and 3) appraising overall performance results.

4.2.3. Group of solutions on perfecting HR policies and approaches for Smart Customs development in Vietnam

4.2.3.1. Developing plans to attract high-quality HR for the digital transformation towards Smart Customs

(1) Identifying required training fields and skills for HR to develop Smart Customs; (2) Regularly evaluating the effectiveness and progress of digital transformation within the sector as well as globally to determine exactly the quantity of needed human resources and time to recruit; (3) Thoroughly implementing legal regulations and proactively propose distinctive policies to attract high-quality HR; (4) Actively promoting the image of a modern and professional Customs, the demand of recuiting high-quality human resources and the perspective of valuing talents; (5) Creating high-quality human resources for Smart Customs in early stage through cooperations with prestigious educational institutions to conduct career orientation campaigns and select students with excellent academic achievements and outstanding qualities to work in the Customs sector; (6) Building a fund for scienctific researches and innovation activities from socialized resources in order to develop a group of Customs experts who are scientists and researchers in Vietnam and abroad; (7) Building and providing a friendly working environment and modern facilities.

4.2.3.2. Improving the effectiveness of training management to meet the requirements of Smart Customs

The training management process must ensure four stages: 1) collecting and analyzing training needs, 2) designing and planning appropriate training activities, 3) organizing training activities and 4) post-training evaluations.

4.2.3.3. Reforming HRM and job placement activities

All activities related to job placement, job rotation and promotion have to be carried out carefully and transparently in accordance with legal regulations and the personal capacity, strengths and experience of each Customs officer.

4.2.3.4. Diversifying policies and remuneration regimes to enhance Customs officers' working commitment and motivation

Maintaining and diversifying remuneration regimes including: salary; career advancement opportunities; insurance and retirement shcemes; rewards, special allowances and other favourable policies depending on circumstances, and level of work dedication in order to promote officers' motivation.

4.2.3.5. Implementation of modern HRM tools

(1) Deploying digital applications, management softwares and IT in HRM activities; (2) Carrying out researches and applications of modern HRM theories.

4.2.3.5 Stimulation on competency-based HRD according to WCO's recommendations to satisfy the requirements of Smart Customs in Vietnam

CONCLUSION

The study on "Human resources for Smart Customs development in Vietnam" provides suggestions to prepare high-quality HR in line with the Customs sector's development orientation and requirements of the national eonomy. Hence, the thesis draws following conclusions:

(1) On the basis of inheriting the theoretical framework of Marxism-Leninism, Ho Chi Minh Thought and orientations of the Communist Party of Vietnam as well as absorbing the results of previous scientific researches on high-quality HR, HR for digital transformation and Customs HR; the PhD candidate has introduced the concept of HR for Smart Customs development; clarified several main subjects, characteristics, roles, requirements and factors affecting HR for Smart Customs development in Vietnam.

(2) The thesis has studied the current state of HR for Smart Customs development in Vietnam in the period of 2019 - 2024; analyzed and evaluated the state based on those information and data collected from reports and documents on HR, Smart Customs and digital transformation in the Customs sector. Consequently, the thesis discussed the achievements, limitations and causes of Vietnam Customs HR.

(3) The thesis has summarized the international and domestic situations to clarify the context and orientations for building HR for Smart Customs development in Vietnam. From there, the PhD candidate proposed several feasible groups of solutions to prepare HR for Smart Customs development in Vietnam until 2030, with orientations towards 2045, including: (1) Group of solutions on reforming the organizational apparatus, HR structure for Smart Customs development; (2) Group of solutions on improving HR quality for Smart Customs development; (3) Group of solutions on perfecting HR policies and approaches for Smart Customs development.

(4) HR for Smart Customs development in Vietnam is a recently developed research topic which requires a large-scale and highly systematic research in various fields. From the perspective of political economy, the thesis has initially clarified several methodologically significant concepts that need further investigations. Besides the achieved results, the thesis has certain shortcomings. Therefore, the PhD candidate will continue to supplement, expand and develop the research in a more in-depth approach to clarify the theoretical and practical bases related to the topic of HR for Smart Customs development in Vietnam.

LIST OF PUBLISHED WORKS OF THE AUTHOR RELATED TO THE THESIS

1. Le Hanh Van (2023), "Human resource management for developing the Smart Customs model in Vietnam", *Journal of Finance & Accounting Research*, No.02 (21)-2023, pp.84 - 93.
2. Le Hanh Van (2023), "International experiences on developing Customs' human ressources and lessons for Vietnam", *Journal of Finance & Accounting Research*, No.01 November (251)-2023, pp.92 - 96.